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Resolve, Regarding ISO New England

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, reliable and lower-cost electric service is essential to the public welfare of this State; and

Whereas, the development of Maine's indigenous renewable energy resources is vital to this State's economy and is an essential tool to combat climate change; and

Whereas, 2 of Maine's transmission and distribution utilities are members of the Independent System Operator New England regional transmission organization; and

Whereas, the Public Utilities Commission has reported to the Legislature that ISO New England's rules, policies, practices and methods of allocating costs among the New England states have been prejudicial to the interests of Maine consumers and inhibit the full development potential of Maine's indigenous renewable power industry; and

Whereas, the Public Utilities Commission has identified alternatives to ISO New England that may have the potential to lower costs for Maine consumers and better encourage the development of Maine's indigenous renewable power industry; and

Whereas, the State desires to lower energy costs for Maine consumers through altering or concluding its relationship with the ISO New England regional transmission organization, while minimizing uncertainties for indigenous renewable energy developers in this State; and

Whereas, pursuant to paragraph 43 of the stipulation approved by the Public Utilities Commission in PUC Docket No. 2007-355, Central Maine Power Company has agreed to commence a proceeding before the Public Utilities Commission to determine whether it will remain a member of the ISO New England regional transmission organization, a proceeding which may be joined by Bangor Hydro Electric Company; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, be it

Sec. 1 Public Utilities Commission order regarding alternative structure.

Resolved: That should the Public Utilities Commission determine, in a proceeding pursuant to paragraph 43 of the stipulation approved by the Public Utilities Commission in PUC Docket No. 2007-355, that it is in the interests of Maine consumers, considering, among other factors, the State's policy to encourage the development of indigenous renewable power resources, for Maine's transmission and distribution utilities to provide timely notice of nonrenewal of any membership in Independent System Operator New England, the Public Utilities Commission then shall subsequently, but no earlier

than March 31, 2009, order Maine's 3 investor-owned transmission and distribution utilities to file with the commission a plan in accordance with this section to form an alternative structure to hold, manage, dispatch and expand the transmission assets of the investor-owned transmission and distribution utilities.

1. The plan must encourage development of indigenous renewable power resources, including but not limited to wind, tidal, hydroelectric, solar, geothermal and biomass resources, and energy efficiency and conservation resources in the State.

2. The plan must include requests for certificates of public convenience and necessity by the investor-owned utilities to directly interconnect the transmission system of Maine Public Service Company with the transmission system of Bangor Hydro Electric Company or Central Maine Power Company and otherwise expand the transmission system in Maine to maintain reliability and to facilitate the economic interconnection of indigenous renewable power resources. If requests for certificates of public convenience and necessity for such interconnection and reliability projects have already been submitted to the commission for approval prior to the submission of the plan, the plan must address the incorporation of the proposed interconnection and reliability projects, without prejudicing the commission's determination of whether such projects are in the public interest.

3. The plan must include all relevant commercial agreements necessary to implement the plan and petitions for all relevant regulatory approvals.

4. The plan must enable the investor-owned utilities, subject to any required regulatory approvals, to provide timely notice of a decision to not renew membership in, and to effect a withdrawal from, ISO New England no later than the scheduled termination of the regional transmission organization's transmission owners agreement pursuant to its terms.

5. The plan may include proposals for mutually beneficial international arrangements.

After the plan has been filed with the commission, the commission shall undertake a review of the plan and allow for public comment on the plan; and be it further

Sec. 2 Public Utilities Commission report. Resolved: That no later than January 15, 2009 the Public Utilities Commission shall submit a report to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters regarding the commission's proceeding pursuant to paragraph 43 of the stipulation approved by the Public Utilities Commission in PUC Docket No. 2007-355. The report must include the commission's findings in that proceeding, including its determination of whether it is in the interests of Maine consumers for Maine's transmission and distribution utilities to provide timely notice of nonrenewal of any membership in Independent System Operator New England. The joint standing committee of the Legislature having jurisdiction over utilities and energy matters, after receiving the report, shall hold a public hearing on the report and, after the hearing, may submit to the First Regular Session of the 124th Legislature legislation relating to the subject matter of the report.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.